GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1909
ANSWERED ON:03.08.2001
RECOMMENDATIONS OF R. V. GUPTA PANEL
MAHESHWAR SINGH;SURESH CHANDEL

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have accepted the recommendations of R.V. Gupta Panelconstituted by the Reserve Bank of India to bring about improvement in the availability of agricultural loans and to make far reaching changes to simplify loan procedure in the country;

(b) if so, the date on which it has been accepted;and

(c) the impact of these recommendations on the agro-economy?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) and (b) Majority of the recommendations made by R.V. Gupta Committee for simplificationand improvement in system and loan procedures have been accepted by Reserve Bank of India (RBI). Banks were advised by RBI to implement the recommendations vide ther circular dated 20-5-1998 and all banks have implemented most of the recommendations.

(c) The recommendations of Gupta Committee are expected to facilitate easy access tocredit by farmers from banks, quicken the pace of flow of credit to agriculture sector, enhance quantum of credit to farmers besides enabling them to get timely and adequate credit from banks for meeting not only their production needs but also their household/post harvest expenditure. The impact of the recommendations on the agro-economy cannot be adjudged in isolation since the implementation of the recommendations by banks was supplementary and complementary to other measures adopted by banks simultaneously, such as formulation of Special Agricultural Credit Plan (SACP), introduction of Kisan Credit Card Scheme, etc.However, during the past few years, there has been marked improvement in the disbursement of credit to agricultre. The disbursement of credit to agriculture by public sector banks under SACP since 1994-95 is aiven below:

Year (April-March)	Amount Disbursed (Rs. Crores)
1994-95	8255.00
1995-96	10172.45
1996-97	12782.53
1997-98	14808.35
1998-99	17787.63
1999-2000	21913.14
2000-2001	24654.40